केंद्र शासन पुरस्कृत स्मार्ट सिटी प्रकल्पाची अंमलबजावणी करण्याबाबत

महाराष्ट्र शासन
नगर विकास विभाग
शासन परिपत्रक क्रमांकः स्मार्टसि-२०१५/प्र.क्र.१३०/नवि-३३

मादाम कामा मार्ग, हुतात्मा राजगुरु चौक,
मंत्रालय, मुंबई-४०० ०३२,
तारीख: ०१ जुलै, २०१५.

वाचा -

०१.केंद्र शासनाच्या शहरी विकास मंत्रालयाकडून प्राप्त स्मार्ट सिटी अभियानाच्या मार्गदर्शक सुचना. (संलग्न)

०२.केंद्र शासनाचे पत्र क्रमांक K-१५०१६/१०/SC-२०१५ (Pt-II), दिनांक २६/०६/२०१५ रोजीचे पत्र.

शासन परिपत्रक -

"केंद्र शासनामार्फत लोकांच्या जीवनमानाचा दर्जा सुधारण्यासाठी,स्वच्छ,शाश्वत व पर्यावरणपूरक शहरे तयार करण्यासाठी स्मार्ट सिटी अभियान या महत्वाकांक्षी अभियानांची घोषणा मा.पंतप्रधान महोदयांच्या हस्ते दिनांक २५.०६.२०१५ रोजी करण्यात आलेली आहे.त्याअनुषंगाने केंद्र शासनामार्फत आयोजित करण्यात आलेल्या कार्यशाळेमध्ये स्मार्ट सिटी योजनेच्या मार्गदर्शक सुचना प्रकाशित करण्यात आलेल्या आहेत.सदर मार्गदर्शक सुचनांचे कृपया अवलोकन व्हावे.

०२. केंद्र शासन पुरस्कृत स्मार्ट सिटी अभियान हे खालीलप्रमाणे दोन टप्प्यात राबविण्यात येणार आहे.

अ. प्रथम टप्पा:-

केंद्र शासनामार्फत प्राप्त मार्गदर्शक सुचनांनुसार स्मार्ट सिटी अभियानाच्या पहिल्या टप्प्यात केंद्र शासनाकडून कळविण्यात आलेल्या राज्यातील एक लक्षपेक्षा जास्त लोकसंख्या असलेल्या अभियान शहरातून स्पर्धात्मक पध्दतीने १० शहरांची निवड करुन सदर शहरांची शिफारस केंद्र शासनाकडे केली जाणार आहे.

ब. दुसरा टप्पा:-

सदर अभियानाच्या दुसऱ्या टप्प्यात राज्य शासनामार्फत निवड करण्यात आलेले शहरांनी केंद्र शासनाच्या मार्गदर्शक सुचनेनुसार स्मार्ट सिटी प्रस्ताव तयार करुन तो केंद्र शासनामार्फत घेण्यात येणाऱ्या आंतरराज्यीय स्मार्ट सिटी चँलेज मध्ये सादर करणे अपेक्षित आहे.

०३. राज्य स्तरावरुन सदर शहरांची निवड करण्यासाठी केंद्र शासनाने सदर मार्गदर्शक सुचनांसोबतच्या परिशिष्ट ३ मध्ये कंडीशन्स प्रीसिडेंट व पात्रता गुणांक (स्कोरींग क्रायटेरिया) उपलब्ध केलेले आहेत.त्याअनुषंगाने केंद्र शासनाने दिलेल्या सुचनेनुसार केंद्र शासनाच्या सदर निकषांची जास्तीत जास्त पूर्तता करण्यामध्ये सक्षम ठरणारे व केंद्रीय स्तरावरील आंतरराज्यीय स्पर्धेमध्ये पात्र होण्यास सक्षम ठरणारेच प्रस्ताव आंतरराज्यीय स्मार्ट सिटी चॅलेंज मध्ये सहभागी होउ शकतील.

०४. स्मार्ट सिटी अभियानाची राज्यात अंमलबजावणी करण्यासाठी मा.मंत्रीमंडळाची मान्यता घेण्याबाबत कार्यवाही शासन स्तरावर सुरु आहे. तथापि स्मार्ट सिटी अभियानाच्या पहिल्या टप्प्यात

राज्यातील १० शहरांची निवड करून सदर शहरांची नावे केंद्र शासनास ३० जुलै, २०१५ पूर्वी कळविणे आवश्यक आहे. सबब सदर अभियानाची राज्यात सुरूवात होण्यापूर्वी नागरी स्थानिक स्वराज्य संस्था स्तरावरून काही बाबींची पूर्वतयारी करणे आवश्यक असल्याने त्याअनुषंगाने केंद्र शासनाकडून प्राप्त मार्गदर्शक सुचनांच्या अनुषंगाने केंद्र शासनाच्या मार्गदर्शक सुचनांच्या परिशिष्ट-३ च्या फॉर्म क्रमांक २ मधील विहित गुणांक तक्ता (स्कोअर कार्ड) मधील माहिती भरुन सदर माहिती आपल्या स्तरावर दिनांक १० जुलै, २०१५ पर्यंत तयार ठेवण्यात यावी त्याचबरोबर खालील मुद्दयांबाबतची अतिरिक्त माहिती सुध्दा आपल्या स्तरावर तयार करून ठेवण्यात यावी,जेणेकरून स्मार्ट सिटी अभियानाचा शासन निर्णय निर्गमित होईपर्यंत सदर अभियानाच्या अनुषंगाने नागरी स्थानिक स्वराज्य संस्थांनी करावयाची पूर्वतयारी पूर्ण करता येउ शकेल.

अ. संबंधित नागरी स्थानिक स्वराज्य संस्था स्मार्ट सिटी अभियानांतर्गत ५ वर्षाच्या कालावधीकरिता प्रतिवर्ष ५० कोटी इतका निधी स्वहिस्सा म्हणून उभा करु शकेल याबाबत संबंधित नागरी स्थानिक स्वराज्य संस्थेच्या क्षमतेचा व नियोजनाचा तपशील.

ब. संबंधित नागरी स्थानिक स्वराज्य संस्था स्मार्ट सिटी अभियानांतर्गत ५ वर्षाच्या कालावधीकरिता प्रतिवर्ष २०० कोटी इतका निधी खर्च करु शकेल याबाबत संबंधित नागरी स्थानिक स्वराज्य संस्थेच्या कार्यकारी क्षमतेचा व नियोजनाचा तपशील.

क. स्मार्ट सिटी अभियानामध्ये नागरिकांचा सहभागाबाबत संबंधित नागरी स्थानिक स्वराज्य संस्थेचे नियोजन.

ड. स्मार्ट सिटी अंमलबजावणीबाबतचा संबंधित नागरी स्थानिक स्वराज्य संस्थेचा दूरदृष्टीकोन (Vision)

सदर शासन परिपत्रक महाराष्ट्र शासनाच्या www.maharashtra.gov.in या संकेतस्थळावर उपलब्ध करण्यात आला असून त्याचा संकेताक २०१५०७०११७४६५६६१२५ असा आहे. हे परिपत्रक डिजीटल स्वाक्षरीने साक्षांकित करुन काढण्यात येत आहे.

महाराष्ट्राचे राज्यपाल यांच्या आदेशानुसार व नावाने.

Seema P Dhamdhere

Digitally signed by Seema P Dhamdhere
DN: c=IN, o=Government Of Maharashtra, ou=Joint Secretary, postalCode=400032, st=Maharashtra, serialNumber=7808edb7e6e5bb384c4f34eadb146acc0fe9570725d029288bc780281a33dbbd, cn=Seema P Dhamdhere
Date: 2015.07.01 17:52:19 +05'30'

(सीमा ढमढेरे)

सह सचिव, महाराष्ट्र शासन

प्रत,

१. आयुक्त, बृहन्मुंबई महानगरपालिका.

२. आयुक्त, ठाणे महानगरपालिका

३. आयुक्त, नवी मुंबई महानगरपालिका

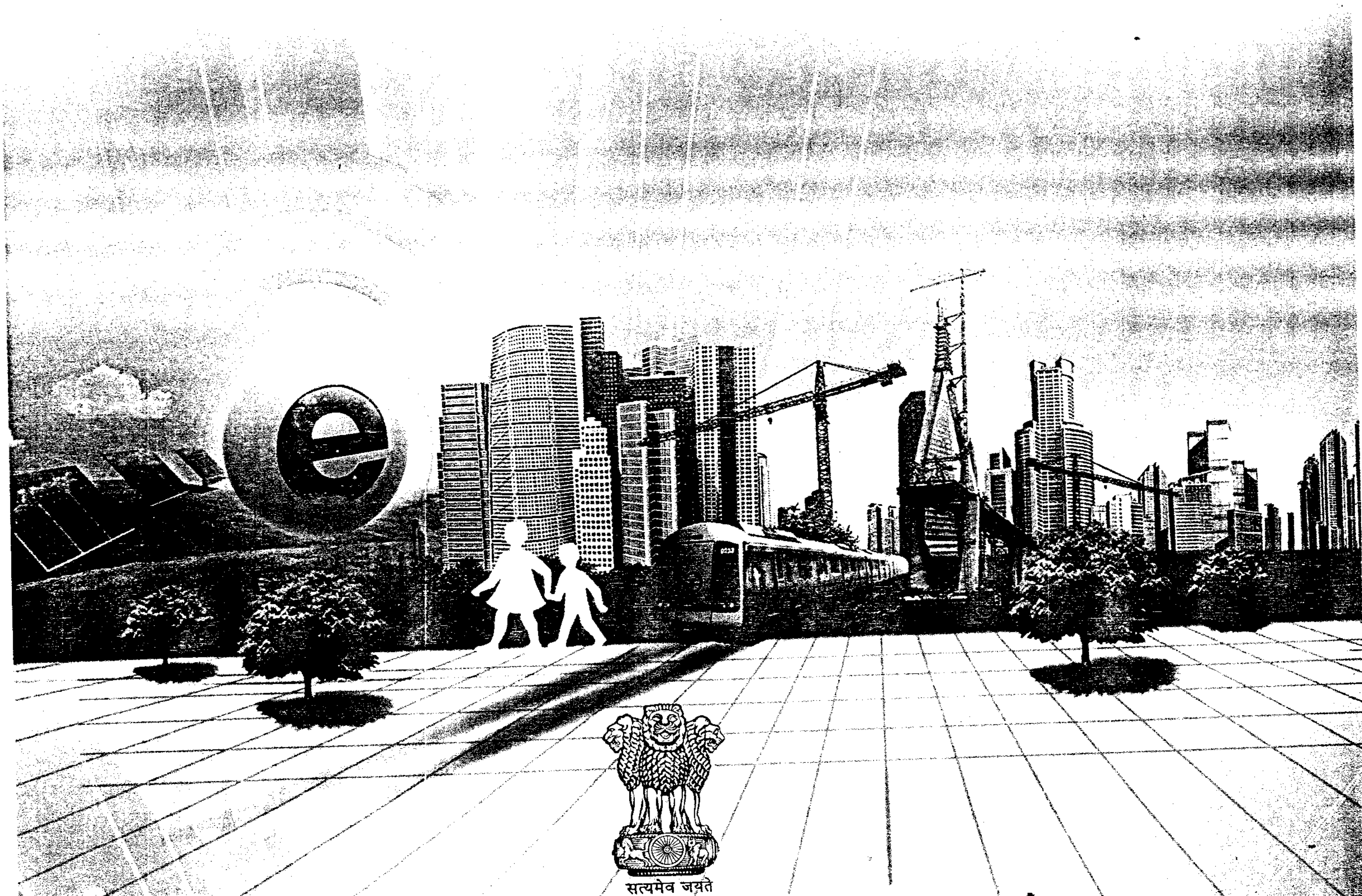
४. आयुक्त, मिरा-भाईंदर महानगरपालिका
५. आयुक्त, उल्हासनगर महानगरपालिका
६. आयुक्त, कल्याण-डोंबिवली महानगरपालिका
७. आयुक्त, पुणे महानगरपालिका
८. आयुक्त, पिंपरी चिंचवड महानगरपालिका
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१२.आयुक्त, वसई-विरार महानगरपालिका
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१६.आयुक्त, अमरावती महानगरपालिका
१७.आयुक्त, मालेगाव महानगरपालिका
१८. आयुक्त, कोल्हापूर महानगरपालिका
१९.आयुक्त, सांगली-मिरज महानगरपालिका
२०.आयुक्त, जळगाव महानगरपालिका
२१.आयुक्त, अकोला महानगरपालिका
२२.आयुक्त, लातूर महानगरपालिका
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२६.आयुक्त, परभणी महानगरपालिका
२७.मुख्याधिकारी, कुळगाव-बदलापूर नगरपरिषद
२८. मुख्याधिकारी, अंबरनाथ नगरपरिषद
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३३.मुख्याधिकारी, सातारा नगरपरिषद
३४.मुख्याधिकारी, बीड नगरपरिषद
३५.मुख्याधिकारी, यवतमाळ नगरपरिषद

३६.मुख्याधिकारी, कामठी नगरपरिषद
३७. मुख्याधिकारी, गोंदिया नगरपरिषद
३८. मुख्याधिकारी, बार्शी नगरपरिषद
३९.मुख्याधिकारी, अचलपूर नगरपरिषद
४०.मुख्याधिकारी, उस्मानाबाद नगरपरिषद
४१.मुख्याधिकारी, नंदुरबार नगरपरिषद
४२.मुख्याधिकारी, वर्धा नगरपरिषद
४३.मुख्याधिकारी, उदगीर नगरपरिषद
४४.मुख्याधिकारी, हिंगणघाट नगरपरिषद

Smart City

MISSION TRANSFORM-NATION

Mission Statement & Guidelines



Ministry of Urban Development
Government of India

June 2015

Smart Cities

Mission Statement & Guidelines

सत्यमेव जयते

Government of India
Ministry of Urban Development
(June, 2015)

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Annexures

Smart Cities Mission

1. The Challenge of Urbanization

1.1 Cities are engines of growth for the economy of every nation, including India. Nearly 31% of India's current population lives in urban areas and contributes 63% of India's GDP (Census 2011). With increasing urbanization, urban areas are expected to house 40% of India's population and contribute 75% of India's GDP by 2030. This requires comprehensive development of physical, institutional, social and economic infrastructure. All are important in improving the quality of life and attracting people and investments to the City, setting in motion a virtuous cycle of growth and development. Development of Smart Cities is a step in that direction.

2. What is a 'smart city'

2.1 The first question is what is meant by a 'smart city'. The answer is, there is no universally accepted definition of a Smart City. It means different things to different people. The conceptualisation of Smart City, therefore, varies from city to city and country to country, depending on the level of development, willingness to change and reform, resources and aspirations of the city residents. A Smart City would have a different connotation in India than, say, Europe. Even in India, there is no one way of defining a Smart City.

2.2 Some definitional boundaries are required to guide cities in the Mission. In the imagination of any city dweller in India, the picture of a Smart City contains a wish list of infrastructure and services that describes his or her level of aspiration. To provide for the aspirations and needs of the citizens, urban planners ideally aim at developing the entire urban eco-system, which is represented by the four pillars of comprehensive development — institutional, physical, social and economic infrastructure. This can be a long term goal and cities can work towards developing such comprehensive infrastructure incrementally, adding on layers of 'smartness'.

2.3 In the approach to the Smart Cities Mission, the objective is to promote cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment and application of 'Smart' Solutions. The focus is on sustainable and inclusive development and the idea is to look at compact areas, create a **replicable model which will act like a light house to other aspiring cities**. The Smart Cities Mission of the Government is a bold, new initiative. It is meant to set examples that can be replicated both within and outside the Smart City, catalysing the creation of similar Smart Cities in various regions and parts of the country.

2.4 The core infrastructure elements in a Smart City would include:

i. adequate water supply,

ii. assured electricity supply,

iii. sanitation, including solid waste management,

iv. efficient urban mobility and public transport,

v. affordable housing, especially for the poor,

vi. robust IT connectivity and digitalization,

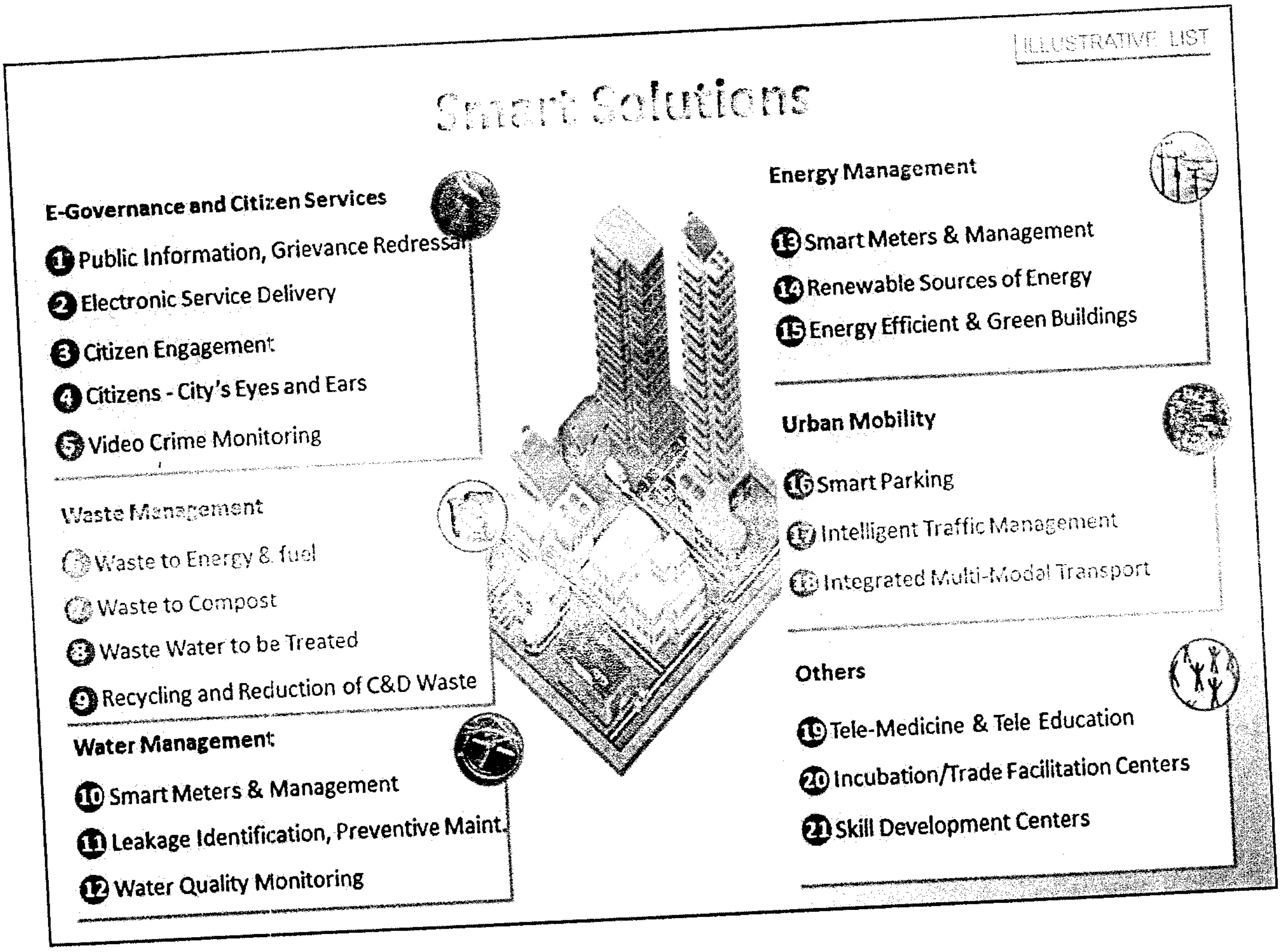
vii. good governance, especially e-Governance and citizen participation,

viii. sustainable environment,

ix. safety and security of citizens, particularly women, children and the elderly, and

x. health and education.

2.5 As far as Smart Solutions are concerned, an illustrative list is given below. This is not, however, an exhaustive list, and cities are free to add more applications.



2.6 Accordingly, the purpose of the Smart Cities Mission is to drive economic growth and improve the quality of life of people by enabling local area development and harnessing technology, especially technology that leads to Smart outcomes. Area-based development will transform existing areas (retrofit and redevelop), including slums, into better planned ones, thereby improving liveability of the whole City. New areas (greenfield) will be developed around cities

in order to accommodate the expanding population in urban areas. Application of Smart Solutions will enable cities to use technology, information and data to improve infrastructure and services. Comprehensive development in this way will improve quality of life, create employment and enhance incomes for all, especially the poor and the disadvantaged, leading to inclusive Cities.

3. Smart City Features

3.1 Some typical features of comprehensive development in Smart Cities are described below.

i. Promoting mixed land use in area-based developments — planning for 'unplanned areas' containing a range of compatible activities and land uses close to one another in order to make land use more efficient. The States will enable some flexibility in land use and building bye-laws to adapt to change;

ii. Housing and inclusiveness — expand housing opportunities for all;

iii. Creating walkable localities — reduce congestion, air pollution and resource depletion, boost local economy, promote interactions and ensure security. The road network is created or refurbished not only for vehicles and public transport, but also for pedestrians and cyclists, and necessary administrative services are offered within walking or cycling distance;

iv. Preserving and developing open spaces — parks, playgrounds, and recreational spaces in order to enhance the quality of life of citizens, reduce the urban heat effects in Areas and generally promote eco-balance;

v. Promoting a variety of transport options — Transit Oriented Development (TOD), public transport and last mile para-transport connectivity;

vi. Making governance citizen-friendly and cost effective — increasingly rely on online services to bring about accountability and transparency, especially using mobiles to reduce cost of services and providing services without having to go to municipal offices; form e-groups to listen to people and obtain feedback and use online monitoring of programs and activities with the aid of cyber tour of worksites;

vii. Giving an identity to the city — based on its main economic activity, such as local cuisine, health, education, arts and craft, culture, sports goods, furniture, hosiery, textile, dairy, etc;

viii. Applying Smart Solutions to infrastructure and services in area-based development in order to make them better. For example, making Areas less vulnerable to disasters, using fewer resources, and providing cheaper services.

4. Coverage and Duration

4.1 The Mission will cover 100 cities and its duration will be five years (FY2015-16 to FY2019-20). The Mission may be continued thereafter in the light of an evaluation to be done by the Ministry of Urban Development (MoUD) and incorporating the learnings into the Mission.

5. Strategy

5.1 The strategic components of Area-based development in the Smart Cities Mission are city improvement (retrofitting), city renewal (redevelopment) and city extension (greenfield development) plus a Pan-city initiative in which Smart Solutions are applied covering larger parts of the city. Below are given the descriptions of the three models of Area-based Smart City Development:

5.1.1 **Retrofitting** will introduce planning in an existing built-up area to achieve Smart City objectives, along with other objectives, to make the existing area more efficient and liveable. In retrofitting, an area consisting of more than 500 acres will be identified by the city in consultation with citizens. Depending on the existing level of infrastructure services in the identified area and the vision of the residents, the cities will prepare a strategy to become smart. Since existing structures are largely to remain intact in this model, it is expected that more intensive infrastructure service levels and a large number of smart applications will be packed into the retrofitted Smart City. This strategy may also be completed in a shorter time frame, leading to its replication in another part of the city.

5.1.2 **Redevelopment** will effect a replacement of the existing built-up environment and enable co-creation of a new layout with enhanced infrastructure using mixed land use and increased density. Redevelopment envisages an area of more than 50 acres, identified by Urban Local Bodies (ULBs) in consultation with citizens. For instance, a new layout plan of the identified area will be prepared with mixed land-use, higher FSI and high ground coverage. Two examples of the redevelopment model are the Saifee Burhani Upliftment Project in Mumbai (also called the Bhendi Bazaar Project) and the redevelopment of East Kidwai Nagar in New Delhi being undertaken by the National Building Construction Corporation.

5.1.3 **Greenfield** development will introduce most of the Smart Solutions in a previously vacant area (more than 250 acres) using innovative planning, plan financing and plan implementation tools (e.g. land pooling/ land reconstitution) with provision for affordable housing, especially for the poor. Greenfield developments are required around cities in order to address the needs of the expanding population. One well known example is the GIFT City in Gujarat. Unlike retrofitting and redevelopment, greenfield developments could be located either within the limits of the ULB or within the limits of the local Urban Development Authority (UDA).

5.1.4 **Pan-city** development envisages application of selected Smart Solutions to the existing city-wide infrastructure. Application of Smart Solutions will involve the use of technology, information and data to make infrastructure and services better. For example, applying Smart Solutions in the transport sector (intelligent traffic management system) and reducing average commute time or cost to citizens will have positive effects on productivity and quality of life of citizens. Another example can be waste water recycling and smart metering which can make a substantial contribution to better water management in the city.

5.2 The Smart City proposal of each shortlisted city is expected to encapsulate either a retrofitting ***or*** redevelopment ***or*** greenfield development model, ***or*** a mix thereof ***and*** a Pan-city feature with Smart Solution(s). It is important to note that pan-city is an **additional** feature to be

provided. Since Smart City is taking a compact area approach, it is necessary that **all the city residents feel there is something in it for them also**. Therefore, the additional requirement of some (at least one) city-wide smart solution has been put in the scheme to make it inclusive.

5.3 For North Eastern and Himalayan States, the area proposed to be developed will be one-half of what is prescribed for any of the alternative models - retrofitting, redevelopment or greenfield development.

6. Proposal Preparation

6.1 The Government is not prescribing any particular model to be adopted by the Smart Cities. The approach is not 'one-size-fits-all'; each city has to formulate its own concept, vision, mission and plan (proposal) for a Smart City that is appropriate to its local context, resources and levels of ambition. Accordingly, they have to choose their model of Smart City and answer the question: What kind of Smart City do they want? For this, cities will prepare their Smart City Proposal (SCP) containing the vision, plan for mobilisation of resources and intended outcomes in terms of infrastructure up-gradation and smart applications.

6.2 **Essential features of SCP :** It may be noted that even though a particular model is not being prescribed, it is expected that the SCPs will include a large number of infrastructure services and smart solutions highlighted in paras 2.4 and 2.5. In particular, the elements that must form part of a SCP are assured electricity supply with at least 10% of the Smart City's energy requirement coming from solar, adequate water supply including waste water recycling and storm water reuse, sanitation including solid waste management, rain water harvesting, smart metering, robust IT connectivity and digitalization, pedestrian friendly pathways, encouragement to non-motorised transport (e.g. walking and cycling), intelligent traffic management, non-vehicle streets/zones, smart parking, energy efficient street lighting, innovative use of open spaces, visible improvement in the Area (e.g. replacing overhead electric wiring with underground wiring, encroachment-free public areas, and ensuring safety of citizens especially children, women and elderly). Cities will have to add more 'smart' applications to this list in order to improve their SCP. In the case of redevelopment and greenfield models of Smart Cities, in addition to the essential features mentioned above, at least 80% buildings should be energy efficient and green buildings. Additionally, of the total housing provided in greenfield development, there should be at least 15% in the affordable housing category. It must be emphasized that, since cities are competing with each other for selection under the Smart Cities Mission, the SCPs have to be prepared with great care and the proposed Smart City made 'smart' enough.

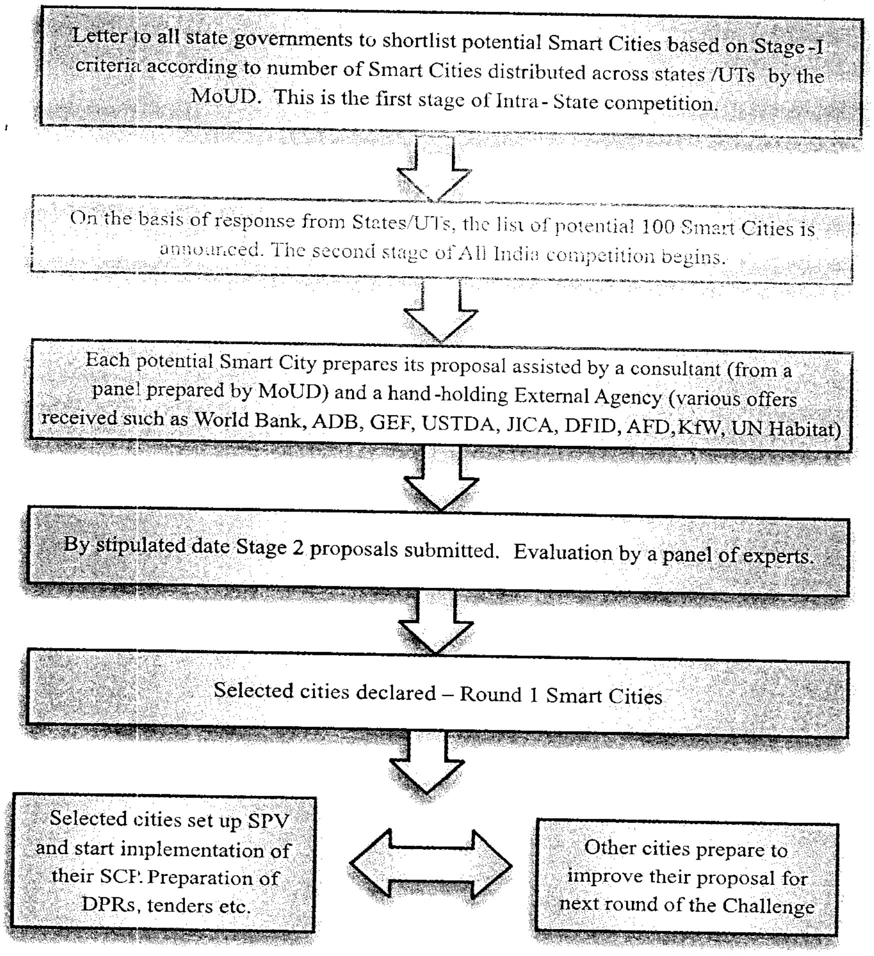
6.3 Cities will prepare SCPs using the principles of strategic planning process and the proposal will contain area-based development plans and Pan-city initiatives. The SCP is collaborative because the objectives and funds of all government departments, parastatals, private agencies and the citizens are dovetailed during the process of preparing the SCP. It is realized that the task of preparing the SCPs is quite challenging and States/ULBs will require assistance of experts. There are two ways of obtaining technical assistance support — by hiring consulting firms and engaging with handholding agencies

6.3.1. **Consulting Firms:** The Ministry of Urban Development will technically qualify a panel of consulting firms and the States/UTs are at liberty to draw upon this panel. As considered necessary, the States/UTs may request financial proposals from these firms in the template RFP given in the Toolkit and do a selection based on applicable procurement rules and guidelines. The scope of work for the Smart City Consulting firms is given in Annexure 1. The States have the option of appointing a consulting firm outside the panel by following transparent and fair procedures as per State financial rules.

6.3.2. **Handholding Agencies:** During the preparation of the Smart Cities Mission, a number of foreign Governments have offered to provide Technical Assistance (TA) support. Additionally, other external organizations, including bilateral and multilateral institutions, as well as domestic organizations have suggested to the Ministry of Urban Development that they can give technical assistance support. These include World Bank, ADB, JICA, USTDA, AFD, KfW, DFID, UN Habitat, UNIDO, etc. Such organizations, which have experience in the field of Smart City development, can also extend support to the States/UTs as hand-holding agencies in preparing the SCPs. The Ministry will assist in tying up the arrangements.

7 Smart Cities Selection Process

Different steps in the selection of Smart Cities are given below.



8. How Many Smart Cities in Each State/UT?

8.1 The total number of 100 Smart Cities have been distributed among the States and UTs on the basis of an equitable criteria. The formula gives equal weightage (50:50) to urban population of the State/UT and the number of statutory towns in the State/UT. Based on this formula, each State/UT will, therefore, have a certain number of potential Smart Cities, with each State/UT having at least one. This distribution is given in Annexure 2. The number of potential Smart Cities from each State/UT will be capped at the indicated number. (This distribution formula has also been used for allocation of funds under Atal Mission for Rejuvenation and Urban Transformation - AMRUT).

8.2 The distribution of Smart Cities will be reviewed after two years of the implementation of the Mission. Based on an assessment of the performance of States/ULBs in the Challenge, some re-allocation of the remaining potential Smart Cities among States may be required to be done by MoUD.

9. The Process of Selection of Smart Cities

9.1 Each aspiring city competes for selection as a Smart City in what is called a 'City Challenge'. There are two stages in the selection process. After the number has been indicated to the respective Chief Secretaries, as outlined in para 8 above, the State/UT will undertake the following steps:-

9.1.1 Stage 1 of the competition: **Shortlisting of cities by States**

The State/UT begins with shortlisting the potential Smart Cities on the basis of conditions precedent and scoring criteria and in accordance with the total number allocated to it. The first stage of the competition will be intra-state, in which cities in the State will compete on the conditions precedent and the scoring criteria laid out. These conditions precedent have to be met by the potential cities to succeed in the first round of competition and the highest scoring potential Smart Cities will be shortlisted and recommended to participate in Stage 2 of the Challenge. The conditions precedent and the forms are given in the Annexure 3. The information sent by the ULBs in the forms has to be evaluated by the State Mission Director and the evaluation placed before the State-level High Powered Steering Committee (HPSC) for approval. The composition of the State HPSC is given in para 13.

The cities emerging successful in the first round of competition will be sent by the State/UT as the recommended shortlist of Smart Cities to MoUD by the stipulated date (to be indicated in the letter to Chief Secretaries). The State Government has to fill the form (given in Annexure 3) and send with the recommended list. The MoUD will thereafter announce the list of 100 Smart Cities.

9.1.2 Stage 2 of the competition: **The Challenge round for selection**

In the second stage of the competition, each of the potential 100 Smart Cities prepare their proposals for participation in the 'City Challenge'. This is a crucial stage as each city's Smart City

Proposal is expected to contain the model chosen, whether retrofitting or redevelopment or greenfield development or a mix thereof, and additionally include a Pan-City dimension with Smart Solutions. The SCP will also outline the consultations held with the city residents and other stakeholders, how the aspirations are matched with the vision contained in the SCP and importantly, what is the proposal for financing of the Smart City plan including the revenue model to attract private participation. An evaluation criteria for the SCPs has been worked out by MoUD based on professional advice and this should act as guidance to the cities for preparing their proposal. The criteria and the documents to be sent with the application are given in Annexure-4.

9.1.3 By a stipulated date, to be indicated by MoUD to the States/UTs, proposals will be submitted to MoUD for all these 100 cities. These will be evaluated by a Committee involving a panel of national and international experts, organizations and institutions. The winners of the first round of Challenge will be announced by MoUD. Thereafter, while the winning cities start taking action on making their city smart, those who do not get selected will start work on improving their SCPs for consideration in the second round. Depending on the nature of the SCPs and outcomes of the first round of the Challenge, the MoUD may decide to provide handholding assistance to the potential Smart Cities to upgrade their proposals before starting the second round.

10. Implementation by Special Purpose Vehicle (SPV)

10.1 The implementation of the Mission at the City level will be done by a Special Purpose Vehicle (SPV) created for the purpose. The SPV will plan, appraise, approve, release funds, implement, manage, operate, monitor and evaluate the Smart City development projects. Each Smart City will have a SPV which will be headed by a full time CEO and have nominees of Central Government, State Government and ULB on its Board. The States/ULBs shall ensure that, (a) a dedicated and substantial revenue stream is made available to the SPV so as to make it self-sustainable and could evolve its own credit worthiness for raising additional resources from the market and (b) Government contribution for Smart City is used only to create infrastructure that has public benefit outcomes. The execution of projects may be done through joint ventures, subsidiaries, public-private partnership (PPP), turnkey contracts, etc. suitably dovetailed with revenue streams.

10.2 The SPV will be a limited company incorporated under the Companies Act, 2013 at the city-level, in which the State/UT and the ULB will be the promoters having 50:50 equity shareholding. The private sector or financial institutions could be considered for taking equity stake in the SPV, provided the shareholding pattern of 50:50 of the State/UT and the ULB is maintained and the State/UT and the ULB together have majority shareholding and control of the SPV.

10.3 Funds provided by the Government of India in the Smart Cities Mission to the SPV will be in the form of tied grant and kept in a separate Grant Fund. These funds will be utilized only for the purposes for which the grants have been given and subject to the conditions laid down by the MoUD.

10.4 The State Government and the ULB will determine the paid up capital requirements of the SPV commensurate with the size of the project, commercial financing required and the financing modalities. To enable the building up of the equity base of the SPV and to enable ULBs to contribute their share of the equity capital, GoI grants will be permitted to be utilized as ULBs share of equity capital in the SPV, subject to the conditions given in Annexure 5. Initially, to ensure a minimum capital base for the SPV, the paid up capital of the SPV should be such that the ULB's share is at least equal to Rs.100 crore with an option to increase it to the full amount of the first instalment of Funds provided by GoI (Rs.194 crore). With a matching equity contribution by State/ULB, the initial paid up capital of the SPV will thus be Rs. 200 crore (Rs. 100 crore of GoI contribution and Rs. 100 crore of State/UT share). Since the initial GoI contribution is Rs.194 crore, along with the matching contribution of the State Government, the initial paid up capital can go up to Rs.384 crore at the option of the SPV. The paid up capital may be enhanced in the subsequent years as per project requirements, with the provision mentioned above ensuring that ULB is enabled to match its shareholding in the SPV with that of the State/UT.

10.5 The structure and functions of the SPV are given in Annexure 5 and the Articles of Association will contain such provisions. A model Article of Association is given in the Toolkit.

10.6 After selection of the cities in Stage II of the Challenge, the process of implementation will start with the setting up of the SPV. As already stated, it is proposed to give complete flexibility to the SPV to implement and manage the Smart City project and the State/ULB will undertake measures as detailed in Annexure 5 for this purpose. The SPV may appoint Project Management Consultants (PMC) for designing, developing, managing and implementing area-based projects. SPVs may take assistance from any of the empanelled consulting firms in the list prepared by MoUD and the handholding agencies. For procurement of goods and services, transparent and fair procedures as prescribed under the State/ULB financial rules may be followed. Model frameworks as developed by MoUD may also be used for Smart City projects.

11. Financing of Smart Cities

11.1 The Smart City Mission will be operated as a Centrally Sponsored Scheme (CSS) and the Central Government proposes to give financial support to the Mission to the extent of Rs. 48,000 crores over five years i.e. on an average Rs. 100 crore per city per year. An equal amount, on a matching basis, will have to be contributed by the State/ULB; therefore, nearly Rupees one lakh crore of Government/ULB funds will be available for Smart Cities development.

11.2 The project cost of each Smart City proposal will vary depending upon the level of ambition, model and capacity to execute and repay. It is anticipated that substantial funds will be required to implement the Smart City proposal and towards this end, Government grants of both the Centre and State will be leveraged to attract funding from internal and external sources. The success of this endeavour will depend upon the robustness of SPV's revenue model and comfort provided to lenders and investors. A number of State Governments have successfully set up financial intermediaries (such as Tamil Nadu, Gujarat, Orissa, Punjab, Maharashtra,

Karnataka, Madhya Pradesh and Bihar) which can be tapped for support and other States may consider some similar set up in their respective States. Some form of guarantee by the State or such a financial intermediary could also be considered as instrument of comfort referred to above. It is expected that a number of schemes in the Smart City will be taken up on PPP basis and the SPVs have to accomplish this.

11.3 The GOI funds and the matching contribution by the States/ULB will meet only a part of the project cost. Balance funds are expected to be mobilized from:

i. States/ ULBs own resources from collection of user fees, beneficiary charges and impact fees, land monetization, debt, loans, etc.

ii. Additional resources transferred due to acceptance of the recommendations of the Fourteenth Finance Commission (FFC).

iii. Innovative finance mechanisms such as municipal bonds with credit rating of ULBs, Pooled Finance Mechanism, Tax Increment Financing (TIF).

iv. Other Central Government schemes like Swachh Bharat Mission, AMRUT, National Heritage City Development and Augmentation Yojana (HRIDAY).

v. Leverage borrowings from financial institutions, including bilateral and multilateral institutions, both domestic and external sources.

vi. States/UTs may also access the National Investment and Infrastructure Fund (NIIF), which was announced by the Finance Minister in his 2015 Budget Speech, and is likely to be set up this year.

vii. Private sector through PPPs.

11.4 The distribution of funds under the Scheme will be as follows:

i. 93% project funds.

ii. 5% Administrative and Office Expenses (A&OE) funds for state/ULB (towards preparation of SCPs and for PMCs, Pilot studies connected to area-based developments and deployment and generation of Smart Solutions, capacity building as approved in the Challenge and online services).

iii. 2% A&OE funds for MoUD (Mission Directorate and connected activities/structures, Research, Pilot studies, Capacity Building, and concurrent evaluation).

12. Funds Release

12.1 After the Stage 1 of the challenge, each potential Smart City will be given an advance of Rs. two crore for preparation of SCP which will come from the city's share of the A&OE funds and will be adjusted in the share of the city.

12.2 In the first year, Government proposes to give Rs.200 crore to each selected Smart City to create a higher initial corpus. After deducting the Rs. two crore advance and A&OE share of the MoUD, each selected Smart City will be given Rs. 194 crore out of Rs. 200 crore in the first year followed by Rs. 98 crore out of Rs. 100 crore every year for the next three years.

12.3 The yearly instalment of funds will be released to SPVs after they meet the following conditions:

i. timely submission of the City Score Card every quarter to the MoUD,

ii. satisfactory physical and financial progress as shown in the Utilization Certificate (Annexure 6) and the annual City Score Card (Annexure 7),

iii. achievement of milestones given in the roadmap contained in SCP, and

iv. fully functioning SPV as set out in the Guidelines and the Articles of Association. A Board Resolution should certify that all these conditions have been met, including a certificate that all the conditions relating to establishment, structure, functions and operations of the SPV as given in para 10 and Annexure 5 are complied with.

13. Mission Monitoring

13.1 National Level

An Apex Committee (AC), headed by the Secretary, MoUD and comprising representatives of related Ministries and organisations will approve the Proposals for Smart Cities Mission, monitor their progress and release funds. This Committee will meet periodically, as considered necessary. The AC will consist of the following indicative members:

i.	Secretary, Housing and Poverty Alleviation	Member
ii.	Secretary (Expenditure)	Member
iii.	Joint Secretary, Finance, MoUD	Member
iv.	Director, NIUA	Member
v.	Chief Planner, Town and Country Planning	Member
vi.	Select Principal Secretaries of States	Member
vii.	Select CEOs of SPVs	Member
viii.	Mission Director	Member Secretary

13.1.1 The Representatives of stakeholders like UN Habitat, World Bank, TERI, Centre for Development of Advanced Computing (C-DAC), Centre for Smart Cities (CSC), Bangalore or other bilateral and multilateral agencies and urban planning experts may be invited with the approval of the Chair.

13.1.2 The AC will provide overall guidance and play an advisory role to the Mission and its key responsibilities are given below.

i. Review the list of the names of Cities sent by the State Governments after Stage 1.

ii. Review the proposals evaluated by panel of experts after Stage 2.

iii. Approve the release of funds based on progress in implementation.

iv. Recommend mid-course correction in the implementation tools as and when required.

v. Undertake quarterly review of activities of the scheme including budget, implementation and co-ordination with other missions/ schemes and activities of various ministries.

13.1.3 There will be a National Mission Director, not below the rank of Joint Secretary to Government of India who will be the overall in-charge of all activities related to the Mission. A Mission Directorate will take support from subject matter experts and such staff as considered necessary. The key responsibilities of the Mission Directorate are given below.

i. Develop strategic blueprint and detailed implementation roadmap of the Smart Cities Mission, including the detailed design of the City Challenge.

ii. Coordinate across Centre, States, ULBs and external stakeholders in order to ensure that external agencies are efficiently used for preparation of SCP, DPRs, sharing of best practices, developing Smart Solution, etc.

iii. Oversee Capacity building and assisting in handholding of SPVs, State and ULBs. This includes developing and retaining a best practice repository (Model RFP documents, Draft DPRs, Financial models, land monetization ideas, best practices in SPV formation, use of financial instruments and risk mitigation techniques) and mechanism for knowledge sharing across States and ULBs (through publications, workshops, seminars).

13.2 State Level

There shall be a State level High Powered Steering Committee (HPSC) chaired by the Chief Secretary, which would steer the Mission Programme in its entirety. The HPSC will have representatives of State Government departments. The Mayor and Municipal Commissioner of the ULB relating to the Smart City would be represented in the HPSC. There would also be a State Mission Director who will be an officer not below the rank of Secretary to the State Government, nominated by the State Government. The State Mission Director will function as the Member-Secretary of the State HPSC. The indicative composition of HPSC is given below:

i. Principal Secretary, Finance,

ii. Principal Secretary, Planning,

iii. Principal Secretary/Director, Town & Country Planning Department, State/UT Governments,

iv. Representative of MoUD,

v. Select CEO of SPV in the State,*

vi. Select Mayors and Municipal Commissioners /Chief Executive of the ULBs, and Heads of the concerned State Line Departments,

vii. Secretary/Engineer-in-Chief or equivalent, Public Health Engineering Department,

viii. Principal Secretary, Urban Development – Member Secretary.

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*As and when it is formed.

The key responsibilities of the HPSC are given below.

i. Provide guidance to the Mission and provide State level platform for exchange of ideas pertaining to development of Smart Cities.

ii. Oversee the process of first stage intra-State competition on the basis of Stage 1 criteria.

iii. Review the SCPs and send to the MoUD for participation in the Challenge.

13.3 City Level

A Smart City Advisory Forum will be established at the city level for all 100 Smart Cities to advise and enable collaboration among various stakeholders and will include the District Collector, MP, MLA, Mayor, CEO of SPV, local youths, technical experts, and at least one member from the area who is a,

i. President / secretary representing registered Residents Welfare Association,

ii. Member of registered Tax Payers Association / Rate Payers Association,

iii. President / Secretary of slum level federation, and

iv. Members of a Non-Governmental Organization (NGO) or Mahila Mandali / Chamber of Commerce / Youth Associations.

The CEO of the SPV will be the convener of the Smart City Advisory Forum.

14. Convergence with Other Government Schemes

14.1 Comprehensive development occurs in areas by integrating the physical, institutional, social and economic infrastructure. Many of the sectoral schemes of the Government converge in this goal, although the path is different. There is a strong complementarity between the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Smart Cities Mission in achieving urban transformation. While AMRUT follows a project-based approach, the Smart Cities Mission follows an area-based strategy.

14.2 Similarly, great benefit can be derived by seeking convergence of other Central and State Government Programs/Schemes with the Smart Cities Mission. At the planning stage itself, cities must seek convergence in the SCP with AMRUT, Swachh Bharat Mission (SBM), National Heritage City Development and Augmentation Yojana (HRIDAY), Digital India, Skill development, Housing for All, construction of Museums funded by the Culture Department and other programs connected to social infrastructure such as Health, Education and Culture. (Annexure 1).

15. Challenges

15.1 This is the first time, a MoUD programme is using the 'Challenge' or competition method to select cities for funding and using a strategy of area-based development. This captures the spirit of 'competitive and cooperative federalism'.

15.2 States and ULBs will play a key supportive role in the development of Smart Cities. Smart leadership and vision at this level and ability to act decisively will be important factors determining the success of the Mission.

15.3 Understanding the concepts of retrofitting, redevelopment and greenfield development by the policy makers, implementers and other stakeholders at different levels will require capacity assistance.

15.4 Major investments in time and resources will have to be made during the planning phase prior to participation in the Challenge. This is different from the conventional DPR-driven approach.

15.5 The Smart Cities Mission requires smart people who actively participate in governance and reforms. Citizen involvement is much more than a ceremonial participation in governance. Smart people involve themselves in the definition of the Smart City, decisions on deploying Smart Solutions, implementing reforms, doing more with less and oversight during implementing and designing post-project structures in order to make the Smart City developments sustainable. The participation of smart people will be enabled by the SPV through increasing use of ICT, especially mobile-based tools.

Annexures

Annexure 1: Scope of work for the Smart City Consulting Firm

The Consulting Firm will assist in preparing a Smart City Proposal under the supervision of the Urban Local Body and the State Government. The scope of work will include:-

1. Preparation of a City-wide concept Plan based on a review of previous plans, interventions and documents of all departments and agencies (e.g. old or revised City Development Plan, City Sanitation Plan, City Mobility Plan, Master Plan). The City-wide Concept Plan will include the Smart City Vision (how the city visualizes itself in 5 years), Mission and identification of key challenges, situation analysis (physical, economic, social, legal and institutional infrastructure)/ As-is description.

2. After detailed citizen consultations, an overall strategy will be prepared that will define the Smart City and clearly state the objectives based on the Mission document and Guidelines.

3. The Consulting Firm will prepare a Smart City Proposal (SCP) to participate in 'Challenge' (competition) according to the Smart City Mission Statement and Guidelines. The proposal will contain retrofitting or redevelopment or greenfield models and atleast one Pan-city initiative. The focus will be on transformative projects with the highest possible impact on (i) economic growth in the city (e.g. number of new jobs created, new firms attracted, increased productivity and business climate in the formal as well as informal sectors, recognition of and incorporating urban vendors), and (ii) improving the quality of life for all, especially the poor: (e.g. reduction in commuting time, support of non-motorized transport, improvement in air and water quality/increased coverage of water, solid waste management, street lighting, enhanced green public spaces, improved safety and security).

4. The SCP will consist of Strategic Action Plans for Area Developments based on the three typologies: (a) area improvement (retrofitting) (b) city renewal (redevelopment) and (c) city extension (greenfield) and at least one City-wide (Pan-city) initiative that applies Smart Solutions to the physical, economic, social and institutional infrastructure. Application of Smart Solutions will involve the use of technology, information and data to make infrastructure and services better and using smart technologies for the development of the poor and marginalized will be an important part of the Proposal.

5. The Smart City Proposal will include financing plan for the complete life cycle of the Proposal. This financial plan will identify internal (taxes, rents, licenses and user charges) and external (grants, assigned revenues, loans and borrowings) sources of mobilizing funds for capital investments and operation and maintenance over the life cycle of the project. The financial plan will provide for sources for repayment of project cost over a period of 8-10 years or more, O&M cost and also include resource improvement action plan for financial sustainability of ULB.

6. Convergence of area plans with National and State level sectoral financial plans, for example the Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Housing for All, Swachh Bharat and Digital India.

7. The Proposal development will lead to creation of a smart citizenry. The proposal will be citizen-driven from the beginning, achieved through citizen consultations, including active participation of groups of people, such as Residents Welfare Associations, Tax Payers Associations, Senior Citizens and Slum Dwellers Associations. During consultations, issues, needs and priorities of citizens and groups of people will be identified and citizen-driven solutions generated.

The Consulting Firms will develop the SCPs for participation in the Challenge.

Annexure 2: Number of cities allocated to States based on urban population and number of statutory towns

State/ UT	No. of cities
Andaman & Nicobar Islands	1
Andhra Pradesh	3
Arunachal Pradesh	1
Assam	1
Bihar	3
Chandigarh	1
Chhattisgarh	2
Daman & Diu	1
Dadra & Nagar Haveli	1
Delhi	1
Goa	1
Gujarat	6
Haryana	2
Himachal Pradesh	1
Jammu & Kashmir	1
Jharkhand	1
Karnataka	6

Kerala	1
Lakshadweep	1
Madhya Pradesh	7
Maharashtra	10
Manipur	1
Meghalaya	1
Mizoram	1
Nagaland	1
Odisha	2
Puducherry	1
Punjab	3
Rajasthan	4
Sikkim	1
Tamil Nadu	12
Telangana	2
Tripura	1
Uttar Pradesh	13
Uttarakhand	1
West Bengal	4
Grand Total	**100**

Annexure 3: Challenge Stage 1: Preconditions and Documents to be submitted by each State

Conditions precedent

1. State undertaking to make the City Smart (Form 1, Part-3),
2. Inter-departmental Task Force consisting of parastatal bodies, Urban Local Body (ULB), Organizations and Urban Development Authorities (UDAs) will be constituted in order to make the city Smart (Form 1, Part-4),
3. Elected City Council's Resolution to make the city Smart (Form 2, Part-5), and
4. Consultations held with residents on city development priorities (Form 2, Part-6).

Scoring criteria

Below are given the scoring criteria to be used by the States/UTs to score the potential Smart Cities and send the names of cities with the highest scores to MoUD for their selection to participate in the Stage 2 of the Challenge.

1. Existing Service Levels

   i. Percentage of increase over Census 2011 or Swachh Bharat baseline on number of household sanitary latrines, whichever is less (Form 2, Part -1) – 10 points,

   ii. Making operable Online Grievance Redressal System with response being sent back to complainant (Form 2, Part-2) – (Y/N) – 5 points,

   iii. At-least first monthly e-newsletter published (Form 2, Part-3) – (Y/N) – 5 points, and

   iv. Electronically place project-wise municipal budget expenditure information for the last two financial years on the website (Form 2, Part-4) – (Y/N) – 5 points.

2. Institutional Systems/ Capacities

   i. Started to levy compensatory penalty for delays in service delivery (Form 2, Part 7) - (Y/N) – 5 points, and

   ii. Has the total collection of internally generated revenue (e.g. taxes, fees, charges) shown an increasing trend during the last three FYs (2012-15) – (Form 2, Part 8) (Y/N) – 10 points.

3. Self-financing

   i. Payment of salaries by ULB up-to last month (Form 2, Part-9) – 5 points,

   ii. Audit of accounts up-to FY 12-13 (Form 2, Part-10) – 5 points,

iii. Percentage contribution of tax revenue, fees and user charges, rents and other internal revenue sources to the ULB Budget (actuals in 2014-15) – (Form 2, Part 11) – 10 points, and

iv. Percentage of operation and maintenance cost of water supply, which is met by collected user charges for supply of water during last FY (2014-15) – (Form 2, Part 12) – 10 points.

4. Past track record and reforms

i. Percentage of internal revenue sources (self-generated) budget funds used for capital works during FY (2014-15) – (Form 2, Part 13) – 10 points,

ii. Percentage of City-level JnNURM Reforms achieved (Form2, Part 14) – 10 points for six (6)ULB level Reforms, and

iii. Percentage of JnNURM projects completed, which were sanctioned during the original Mission period (upto 2012) (Form 2, Part 15) – 10 points.

Documents

The forms in which the States have to get proposals from the ULBs and in which they have to send to the MoUD are given below.

1. The list of cities shortlisted by each state (Form 1, Part-1).

2. Declaration of shortlisting criteria met by each shortlisted city (Form 1, Part-2). This form needs to be submitted for each shortlisted city.

3. Undertaking of the State Government to make the city smart (Form 1, Part-3)

4. Order of constitution of Inter-departmental Task Force (Form 1, Part-4)

Additional documents in support of Form 1, will be submitted by each shortlisted city under the signature of Municipal Commissioner/ Head of the ULB to the State Mission Director (Form 2).

FORM 1

(To be sent by State to MoUD)

Name of State : ....

Number of cities allotted : ....

Part 1: List of cities shortlisted by each State

S. No	Name of city	Population of city	Conditions precedent Satisfied			
			1 Y/N	2 Y/N	3 Y/N	4 Y/N

Part 2: Details of score obtained by each shortlisted city*

Name of Shortlisted City :

S.No.	Criteria	Total Score	Score obtained
1	Increase over Census 2011 or Swachh Bharat baseline on number of household sanitary latrines (whichever is less)	10	
2	Making operable Online Grievance Redressal System with response being sent back to complainant	5	
3	At-least first monthly e-newsletter published	5	
4	Electronically place project-wise municipal budget expenditure information for the last two financial years on the website	5	
5	Levy of compensatory penalty for delays in service delivery	5	
6	Collection of internally generated revenue (e.g. taxes, fees, charges) during the last three FYs (2012-15)	10	

7	Payment of salaries by ULB up-to last month	5	
8	Audit of accounts for FY 12-13	5	
9	Percentage contribution of tax revenue, fees and user charges, rents and other internal revenue sources	10	
10	Percentage of establishment and maintenance cost of water supply	10	
11	Percentage contribution of internal revenue sources (self-generated) used for capital works during FY 2014-15	10	
12	Percentage of City-level JnNURM Reforms achieved	10	
13	Percentage of completion of Projects sanctioned upto March, 2012 under JnNURM	10	
Total		**100**	

*This form needs to be filled for each shortlisted city.

Part 3: Undertaking from the State Government

I hereby confirm that the State of........... (Name)...fully

commits the development of the city .... (Name).. as a Smart City.

Part 4: Order of constitution of Inter-departmental Task Force

A Government order for constituting an Inter-departmental Task Force consisting of parastatal bodies ULB, UDA to make the city Smart is attached.

I hereby confirm that I have verified the information and it is true and correct. Name of the City has been approved by HPSC in its meeting held on ....

(Principal Secretary/ Secretary (UD))

State Government of ....

Form 2- Score Card

(To be sent by ULBs to State)

Name of ULB : ....

Name of State : ....

Existing Service Levels

Part 1: Increase in sanitary latrines built under Swachh Bharat Mission

	Achievement > 10%	Achievement between 7.5 to 10%	Achievement between 5 to 7.5%.	Achievement < 5%
	10 marks	7.5 marks	5 marks	0 marks
Percentage of Increase over Census 2011 or Swachh Bharat baseline on number of household sanitary latrines (whichever is less)				

Part 2: Operable Online Grievance Redressal System

	Yes (5 points)	No (0 points)
Making operable Online Grievance Redressal System with response being sent back to complainant		

Part 3: Monthly e-newsletter

	Yes (5 points)	No (0 points)
At-least first monthly e-newsletter published		

Part 4: Electronically place project-wise municipal budget expenditure information

	Yes (5 points)	No (0 points)
Electronically placed project-wise municipal budget expenditure information for the last two financial years on the website		

Part 5 : Resolution of elected city council

A copy of the Resolution No. _______ dated _______ (English/Hindi/Other version) is attached.

Part 6 : Table with dates, specific agenda and number of people in attendance in ward consultations held with residents of the city

S.No.	Date	Agenda	Ward No.	No of people attended

Institutional Systems/ Capacities

Part 7: Levy of compensatory penalty for delays in service delivery

	Yes (5 points)	No (0 points)
Started to levy compensatory penalty for delays in service delivery		

Part 8: Collection of internally generated revenue (e.g. taxes, fees, charges) during the last three FYs (2012-15).

	Year			Yes (10 points)	No (0 points)
	2012-13	2013-14	2014-15		
Increasing trend of total collection of internally generated revenue (e.g. taxes, fees, charges) during the last three FYs (2012-15)					

Self-Financing

Part 9: Payment of salaries

	Yes (5 points)	No (0 points)
Payment of salaries by ULB up-to last month		

Part 10: Audit of accounts

	Yes (5 points)	No (0 points)
Audit of accounts up-to FY 12-13		

Part 11: Percentage contribution of tax revenue, fees and user charges, rents and other internal revenue sources

	> 50 % contribution in ULB Budget	Between 35%to 50% contribution in ULB Budget	Between 20% to 35% contribution in ULB Budget	< 20 % contribution in ULB Budget
	10 marks	7.5 marks	5 marks	0 marks
Percentage contribution of tax revenue, fees and user charges, rents and other internal revenue sources to the ULB Budgeted receipts (actuals in 2014-15)				

Part 12: Percentage of operation and maintenance cost of water supply

	> 80% O&M cost coming from user charges	Between 60% to 80% O&M cost coming from user charges	Between 40% to 60% O&M cost coming from user charges	<40 % O&M cost coming from user charges
	10 marks	7.5 marks	5 marks	0 marks
Percentage of O&M cost met through user charges collection for supply of water during last FY				

Past track record and reforms

Part 13: Percentage contribution of internal revenue sources (self-generated) used for capital works during FY 2014-15

	>20 % contribution for capital works	Between 10% to 20% contribution for capital works	Between 5% to 10% contribution for capital works	< 5 % contribution for capital works
	10 marks	7.5 marks	5 marks	0 marks
Percentage contribution of internal revenue sources (self-generated) used for capital works during FY 2014-15				

Part 14: City-level JnNURM Reforms

	100 % of the reforms achieved	90 % of the reforms achieved	80 % of the reforms achieved	< 80 % of reforms achieved
	10 marks	7.5 marks	5 marks	0 marks
Percentage of City-level JnNURM Reforms* achieved				

*As per cycle V records 31.3.2014

Part 15: Completion of Projects sanctioned upto March, 2012 under JnNURM

	100 % of the projects completed	90 % of the projects completed	80 % of the projects completed	< 80 % projects completed
	10 marks	7.5 marks	5 marks	0 marks
Percentage of JnNURM projects** completed, which were sanctioned during the original Mission period (upto March, 2012)				

** As per the completion certificate received from State as on 31.3.2014

I hereby confirm that I have verified the information presented in this form which is true and correct to the best of my knowledge.

(Municipal Commissioner/ Head of the ULB, Parastatal)

Annexure 4: Challenge Stage 2:
Criteria and Indicative Table of Contents

4.1 Criteria

Some of the criteria that may be used to evaluate the SCPs of the States/UTs are given below.

S.No.	Criteria	Score
	CITY LEVEL EVALUATION CRITERIA	30
1	Credibility of implementation	
a.	In the last three years, how has the operational efficiency of public entities improved in terms of average time taken to give building plan approvals, increase in property tax assessments and collections, Scheduled outages in a month? Unscheduled outages in a month? Have NRW/UFW and AT&C/T&D losses reduced? Increase in % of population covered by grid based power? Property tax collection as a % of annual demand; Cost management interventions like location tracking of vehicles, ambient light sensors, etc.	
b.	In the last three years has the traffic congestion eased – change in average traffic speeds, average commute times, increased pedestrian facilities, improved public transport, and lower commute distances?	
c.	Has administrative efficiency improved, say, by using Information Technology and Communication (IT&C) (1) to take attendance of functionaries and improved attendance as a result, (2) to establish two-way communication with people, (3) use e-gov to enable hassle free access to statutory documents, (4) develop dashboards that integrate analytics and visualization leading to enhanced administrative efficiency as well as provide information to citizens, etc.	
d.	Water & sewerage user charges collected as a % of current annual demand. What has been the achievement of affordable housing goals – slums redeveloped, upgraded and housing provided?	
2	City Vision and strategy	
a.	How well does the Vision come out of the needs, aspirations and wishes of the local people to make their city more liveable?	
b.	How well does the Vision articulate the use of information and communication technologies to improve public service delivery and improve the quality of life of local citizens?	
c.	How does the Vision Statement summarize the impact on key aspects- main economic activity, sustainability and inclusiveness?	

PROPOSAL LEVEL EVALUATION CRITERIA		70
3	Impact of proposal	
a.	Do the goals flow from vision identified through citizen consultation? Are the goals linked to quantifiable outcomes and all outcomes listed? Are the goals deliverable?	
b.	Are all essential elements given in para 6.2 included in the Proposal? Have indicators been prepared for all elements and targets set? How many of the Smart City features given in para. 3.1 (i – vii) have been included and quantified?	
c.	How well have the identified goals been linked to objectives and objectives mapped to specific inputs and activities on indicators?	
d.	Does target setting on objectives in 3 (c) correspond to citizen needs as identified in consultation?	
e.	What is the impact of the proposal on the primary economic base and employment of the city? (e.g. increase in employment and income).	
f.	How inclusive is the proposal? How would the proposal benefit the poor and disadvantaged?	
4	Cost Effectiveness	
a.	Does the Proposal contain an Implementation Plan? During the preparation of the Implementation Plan have different technology and urban planning alternatives that can help achieve outcomes been identified? Have cities selected one of the alternatives? Does the Implementation Plan have "smart" components where "smartness" refers to doing more with less, that is, doing something in a more resource efficient manner (resource may be time, money, natural resources etc.)? Does the proposal make the most of existing infrastructure? What is the extent of convergence of initiatives in the Implementation Plan? Have solutions services contracts, instead of hardware procurement contract only, been included in the Implementation Plan? Have generic technology specifications been proposed?	
b.	Has a financing plan been prepared? What are the different sources of funding being tapped for this project? - % share of Central Government Smart Cities grant -% share of private sector -% share of State/ULB resources -% share of complementary Central Government schemes -% of other sources	

c.	Is the proposal financially sustainable? (e.g. proposed arrangements for O&M costs)	
d.	Have the financial assumptions been listed out? Given the financial assumptions, how doable is the proposal within the timelines?	
e.	Any frugal engineering and citizen innovations done in the proposal? Number of citizen innovations through crowd sourced IT interventions to improve the quality of public service delivery?	
5	Innovation and Scalability	
a.	Have best practices been identified and selected in consultation with citizens? If yes, how well are they adapted?	
b.	Is the project scalable to the entire city or to other cities?	
c.	What is the impact of the proposal on the environment and resilience from disasters? (E.g. reducing heat islands in retrofitting)	
d.	Have any Smart Solutions been used in area-based and Pan-city developments as given in the illustrative list in para. 2.5? Have technology specification alternatives for each technology intervention been examined and shared with the citizens? How do these lead to desired outcomes?	
6	Process Followed	
a.	Details of process for co-creating every step (ideas, strategies, implementing mechanism and financial solutions) through an extensive consultation process with: -citizens -vulnerable sections of society (disabled, children, elderly etc.) ward committees and area sabhas -important citizens groups (associations, organizations and institutions such as local chamber of commerce)	
b.	How much of social media, community, mobile governance have been used during citizen consultation?	
c.	How well have contrary "voices" been accommodated in the strategy and planning?	

4.2 Indicative Table of Contents

Detailed instructions on the application form and the format of the proposal will be issued separately. An indicative Table of Contents is given below.

i. Area and proposal identification – retrofitting, redevelopment and greenfield developments.

ii. Proposal scope and objectives.

iii. Proposal concept.

iv. Proposal development.

v. Implementation framework.

vi. Proposed financing options and institutional framework.

vii. Proposal phasing and timeframe.

viii. Benefits and impact assessment.

For comparison of proposals the year-wise milestones and outcomes should be given in the following tabular form in the Proposal.

Goal :

Objectives and Activities	Performance indicator	Baseline (as of date xx)	Mission Target	For the Financial Year ____			
				For Half Year 1		For Half Year 2	
				Progress to be made on baseline	Funds to be utilized	Progress to be made on baseline	Funds to be utilized
Objective 1							
Activity 1							
Activity 2							
Activity 3							
Objective 2							
Activity 1							
Activity 2							
Activity 3							

(Note : Above information to be provided for each project, every half year, till the completion of the project)

Annexure 5: Structure and Functions of SPV

1. Structure of the SPV

The City level SPV will be established as a Limited Company under the Companies Act, 2013 and will be promoted by the State/UT and the ULB jointly, both having 50:50 equity shareholding. This shareholding pattern has to be maintained at all times. The private sector or financial institutions could be considered for taking equity stake in the SPV, provided the State/UT and the ULB share are equal to each other, and the State/UT and ULB together have majority shareholding and control of the SPV (e.g. State/UT:ULB:Private sector shareholding can be in the ratio 40:40:20 or 30:30:40. Ratios such as 35:45:20 or 40:30:30 are not permitted since State/UT and ULB shares are not equal. Ratios such as 20:20:60 are also not permitted since the State/UT and the ULB together do not have majority shareholding). In addition to equity, the State/UT can provide its contribution to the Smart Cities Mission as grant to fulfil the State Government responsibility for ensuring availability of funds for the mission and for ensuring the financial sustainability of the SPV.

2. Raising and utilization of funds by the Company (SPV)

The funds given by the Central Government to the SPV will be in the shape of tied grants and kept in a separate Grant Fund. These funds will be utilized only for the purposes given in the Mission Statement and Guidelines and subject to the conditions laid down by the Central Government. The ULBs may, through the State Government, request MoUD to permit utilization of GoI grants as ULB's equity contribution to the SPV, subject to the following conditions:

i. The State Government has made adequate contribution to the SPV out of their own funds.

ii. The approval will be limited to the GoI grants that have already been released. Since future instalments of Smart City funds are subject to performance and are not guaranteed, the ULB will not be permitted to earmark future instalments to meet its equity contribution.

iii. The utilization of GoI grants as equity contributions will not alter the relative shareholding of the State Government and the ULB, which will remain equal as per Mission guidelines.

iv. It is clarified that the Government of India contribution to Smart Cities is strictly in the form of grant and the ULB is exercising its own discretion in utilizing these funds as its equity contribution to the SPV.

The SPV will also access funds from other sources such as debt, user charges, taxes, surcharges, etc.

3. Board of Directors

The Board of Directors will have representatives of Central Government, State Government, ULB and Independent Directors, in addition to the CEO and Functional Directors. Additional Directors (such as representative of parastatal) may be taken on the Board, as considered necessary. The Company and shareholders will voluntarily comply with the provision of the Companies Act 2013 with respect to induction of independent directors. Below, are given the broad terms of appointment and role of the SPV Board:-

3.1 The Chairperson of the SPV will be the Divisional Commissioner/Collector/Municipal Commissioner/ Chief Executive of the Urban Development Authority as decided by the State Government.

3.2 The representative of the Central Government will be a Director on the Board of the SPV and will be appointed by the MoUD.

3.3 The CEO of the SPV will be appointed with the approval of the MoUD. The CEO will be appointed for a fixed term of three years and will be removed only with the prior approval of MoUD. The functions of the CEO include:

a. Overseeing and managing the general conduct of the day-to-day operations of the SPV subject to the supervision and control of the Board.

b. Entering into contracts or arrangements for and on behalf of the Company in all matters within the ordinary course of the Company's business.

c. To formulate and submit to the Board of Directors for approval a Human Resource Policy that will lay down procedures for creation of staff positions, qualifications of staff, recruitment procedures, compensation and termination procedures.

d. Recruitment and removal of the senior management of the Company and the creation of new positions in accordance with the Company's approved budget and the recruitment or increase of employees in accordance with the Human Resource Policy laid down by the Board.

e. Supervising the work of all employees and managers of the Company and the determination of their duties, responsibilities and authority;

3.4 The Independent Directors will be selected from the data bank(s) maintained by the Ministry of Corporate Affairs and preference will be given to those who have served as independent directors in the Board of Companies fulfilling Clause 49 of the listing agreement of Securities and Exchange Board of India (SEBI).

4. Delegation of powers to the SPV

4.1 One of the primary reasons for the creation of an SPV for the Smart City Mission is to ensure operational independence and autonomy in decision making and mission implementation. The Smart City Mission encourages the State Government and the ULB to adopt the following best practices to create empowered SPVs to the extent and as provided under the municipal act.

4.1.1 Delegating the rights and obligations of the municipal council with respect to the Smart City project to the SPV.

4.1.2 Delegating the decision making powers available to the ULB under the municipal act/ Government rules to the Chief Executive Officer of the SPV.

4.1.3 Delegating the approval or decision making powers available to the Urban Development Department / Local Self Government department / Municipal Administration department to the Board of Directors of the SPV in which the State and ULB are represented.

4.1.4 Delegating the matters that require the approval of the State Government to the State Level High Powered Steering Committee (HPSC) for Smart Cities.

5. The key functions and responsibilities of the SPV are to:

i. Approve and sanction the projects including their technical appraisal.

ii. Execute the Smart City Proposal with complete operational freedom.

iii. Take measures to comply with the requirements of MoUD with respect to the implementation of the Smart Cities programme.

iv. Mobilize resources within timelines and take measures necessary for the mobilisation of resources.

v. Approve and act upon the reports of a third party Review and Monitoring Agency.

vi. Overview Capacity Building activities.

vii. Develop and benefit from inter-linkages of academic institutions and organizations.

viii. Ensure timely completion of projects according to set timelines.

ix. Undertake review of activities of the Mission including budget, implementation of projects, and preparation of SCP and co-ordination with other missions / schemes and activities of various ministries.

x. Monitor and review quality control related matters and act upon issues arising thereof.

xi. Incorporate joint ventures and subsidiaries and enter into Public Private Partnerships as may be required for the implementation of the Smart Cities programme

xii. Enter into contracts, partnerships and service delivery arrangements as may be required for the implementation of the Smart Cities Mission.

xiii. Determine and collect user charges as authorised by the ULB

xiv. Collect taxes, surcharges etc. as authorised by the ULB

The above provisions will be included in the Articles of Association of the SPV.

Annexure 6: Utilization Certificate Format

Form of Utilization Certificate

S. No.	Letter No. and Date	Amount (Rs.)	Certified that out of Rs.________ of Grants-in-aid sanctioned during the
	Total		years ______ in favour of ____________ under this Ministry/Department letter No. given in the margin and Rs. ________ on account of unspent balance of the previous year, a sum of Rs.________ has been utilized for the purpose of______________ for which it was sanctioned and that the balance of Rs.__________ remaining un utilized at the end of the year has been surrendered to Government (vide No. _______ dated _______) will be adjusted towards the grants - in-aid payable during the next year ______________.

Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been duly fulfilled/are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised.

1.

2.

3.

(CEO of the SPV)

Date: ____________________

Annexure 7: Score Card for Smart Cities
Progress on Mission Objectives

Objectives & Activities	Unit (%)	Baseline	Mission Target	Target till date	Progress

Mission Outcomes

Outcomes	Unit (%)	Baseline	Mission Target	Target till date	Progress
Scheduled electricity outages in a month					
Unscheduled electricity outages in a month					
Non-revenue water (%)					
AT&C Losses (%)					
Collection of property tax as % of demand					

Resource mobilization

Resource mobilization (share)	GoI				
	States				
	ULB				
	Others				

Implementation Status

Physical progress	%	NA
Financial progress	%	NA
	Rs Crores	NA

Funds flow

GoI Financing	Budget	Sanctioned	Disbursed	Accrued	

(CEO of the SPV)

Date: ___________

स्वच्छ भारत

एक कदम स्वच्छता की ओर

स्वच्छता शपथ

महात्मा गांधी ने जिस भारत का सपना देखा था उसमें सिर्फ राजनैतिक आजादी ही नहीं थी, बल्कि एक स्वच्छ एवं विकसित देश की कल्पना भी थी।

महात्मा गांधी ने गुलामी की जंजीरों को तोड़कर माँ भारती को आज़ाद कराया।

अब हमारा कर्तव्य है कि गंदगी को दूर करके भारत माता की सेवा करें।

मैं शपथ लेता हूँ कि मैं स्वयं स्वच्छता के प्रति सजग रहूँगा और उसके लिए समय दूंगा।

हर वर्ष 100 घंटे यानी हर सप्ताह 2 घंटे श्रमदान करके स्वच्छता के इस संकल्प को चरितार्थ करूँगा।

मैं न गंदगी करूँगा न किसी और को करने दूंगा।

सबसे पहले मैं स्वयं से, मेरे परिवार से, मेरे मुहल्ले से, मेरे गांव से एवं मेरे कार्यस्थल से शुरूआत करूँगा।

मैं यह मानता हूँ कि दुनिया के जो भी देश स्वच्छ दिखते हैं उसका कारण यह है कि वहां के नागरिक गंदगी नहीं करते और न ही होने देते हैं।

इस विचार के साथ मैं गांव-गांव और गली-गली स्वच्छ भारत मिशन का प्रचार करूँगा।

मैं आज जो शपथ ले रहा हूँ, वह अन्य 100 व्यक्तियों से भी करवाऊँगा।

वे भी मेरी तरह स्वच्छता के लिए 100 घंटे दें, इसके लिए प्रयास करूँगा।

मुझे मालूम है कि स्वच्छता की तरफ बढ़ाया गया मेरा एक कदम पूरे भारत देश को स्वच्छ बनाने में मदद करेगा।

M. PRASAD
SECRETARY

J S (Seema)

सत्यमेव जयते

Government of India
Ministry of Urban Development
Nirman Bhawan, New Delhi-110011

स्वच्छ भारत
एक कदम स्वच्छता की ओर

D.O. No. K- 15016/10/SC-2015(Pt-II)
June 26, 2015

Dear Shri Swadheen Kshatriya,

Please refer to my DO letter of even number dated 8th June 2015 regarding the launching of the Smart Cities Mission. As you are aware, the programme was formally launched by the Hon'ble Prime Minister yesterday on 25th June 2015. The Guidelines of the Mission were released at the function, copies distributed and have also been uploaded on the Ministry's website (*moud.gov.in*). As per formula, your State has been allocated a certain number of Smart Cities, which is indicated in Annexure-2 of the Guidelines. A copy of the State-wise allocation is enclosed herewith.

The Guidelines have been prepared with great care and give details of the concept, design, process and implementation mechanism of the Smart Cities Mission. Please advise your officials to go through it carefully and any clarification required, may be sought from the Ministry.

Now the implementation of the programme begins. The first step, as I had mentioned in my earlier letter, is to constitute the State Level High Powered Steering Committee (HPSC) to be chaired by the Chief Secretary. I hope you have taken steps to set up this Committee or you may do so now. The constitution of the HPSC is enclosed for ready reference. Each State is expected to shortlist potential Smart Cities based on the criteria set out in the Guidelines **by 31st July, 2015** and submit the names to the Ministry.

The involvement of citizens in the programme is very important, as highlighted in the Guidelines of the Mission. The Prime Minister also emphasized it yesterday at the launch function. Ascertaining the views and aspirations of the city residents and their willingness to support efforts to making their city smart should be undertaken at this stage itself of shortlisting potential smart cities, as it has an important bearing on the Smart City Proposal to be prepared in Stage II.

You are requested to take further necessary action in this regard so that the timelines are met. We intend to announce the list of 100 Smart Cities by about **3rd August, 2015**.

with regards,

Yours sincerely,

(M. Prasad)

Encl.: As above

Shri Swadheen S Kshatriya
Chief Secretary
Government of Maharashtra
Room No.518, 5th Floor
Main Building Mantralaya
Mumbai-400032

Attachment

State level High Powered Committee for Smart Cities Mission

There shall be a State level High Powered Steering Committee (HPSC) chaired by the Chief Secretary, which would steer the Smart Cities Mission in its entirety. The HPSC will have representatives of State Government departments. The Mayor and Municipal Commissioner of the ULB relating to the Smart City would be represented in the HPSC. There would also be a State Mission Director who will be an officer not below the rank of Secretary to the State Government, nominated by the State Government. The State Mission Director will function as the Member-Secretary of the State HPSC. The indicative composition of HPSC is given below:

i. Principal Secretary, Finance
ii. Principal Secretary, Planning
iii. Principal Secretary/Director, Town & Country Planning Department, State/UT Governments.
iv. Representative of MoUD.
v. Select CEOs of SPVs in the State.*
vi. Select Mayors and Municipal Commissioners /Chief Executive of the ULBs, and Heads of the concerned State Line Departments.
vii. Secretary/Engineer-in-Chief or equivalent, Public Health Engineering Department.
viii. Principal Secretary, Urban Development – Member Secretary

The key responsibilities of the HPSC are given below.

i. Provide guidance to the Mission and provide State level platform for exchange of ideas pertaining to development of Smart Cities.
ii. Oversee the process of first stage intra-State competition on the basis of Stage 1 criteria.
iii. Review the SCPs and send to the MoUD for participation in the Challenge.

* as and when it is formed

Annexure 2: Number of cities allocated to States based on urban population and number of statutory towns

State/ UT	No. of cities
Andaman & Nicobar Islands	1
Andhra Pradesh	3
Arunachal Pradesh	1
Assam	1
Bihar	3
Chandigarh	1
Chhattisgarh	2
Daman & Diu	1
Dadra & Nagar Haveli	1
Delhi	1
Goa	1
Gujarat	6
Haryana	2
Himachal Pradesh	1
Jammu & Kashmir	1
Jharkhand	1
Karnataka	6

Kerala	1
Lakshadweep	1
Madhya Pradesh	7
Maharashtra	10
Manipur	1
Meghalaya	1
Mizoram	1
Nagaland	1
Odisha	2
Puducherry	1
Punjab	3
Rajasthan	4
Sikkim	1
Tamil Nadu	12
Telangana	2
Tripura	1
Uttar Pradesh	13
Uttarakhand	1
West Bengal	4
Grand Total	**100**